



# Voluntary Retirement Programs

## Pre-Tax and After-Tax Options

Saving money for retirement is often a low priority in our busy lives. We usually have more immediate financial concerns, such as paying the mortgage, feeding our family, or saving for our children’s college education.

On the other hand, putting money aside for your retirement years should also be an important part of your personal financial plan.

The Pinellas County Schools Voluntary Retirement Program gives you three practical, convenient ways to save for retirement: two pre-tax options (a traditional 403(b) and a 457(b) plan), and an after-tax option (a Roth 403(b)). These plans provide:

- Convenient savings through payroll deductions
- Tax-deferred growth potential
- A choice of investments

Both traditional and Roth 403(b) accounts offer benefits that are similar to retirement savings plans, but are very different in terms of federal tax treatment. You can participate in either or both of these account types during your career to take advantage of the following features:

- Contributions to individual accounts
- Convenience of payroll deductions
- High annual contribution limits
- Flexible loan provisions
- Benefits paid to your beneficiaries at your death

**Please note:** Your contributions to your voluntary retirement account do not affect Florida Retirement System contributions, which are based on total gross income.

## How the Plans Work

### Pre-Tax Traditional 403(b) and 457(b) Plans

Contributions made to traditional 403(b) and 457(b) accounts are taken from your paycheck on a *pre-tax* basis and are considered a salary reduction. As a result, your taxable income is reduced for every contribution you make. Any earnings on your deposits are tax-deferred until withdrawn, usually during retirement. Withdrawals from traditional 403(b) accounts are taxed during the year of the withdrawal at your applicable income tax rate for that year.

The chart below illustrates how salary reduction savings through a traditional 403(b) or 457(b) plan can increase your take-home pay by lowering your taxes.

Pre-Tax Savings Example					
Traditional 403(b) or 457(b) Voluntary Retirement Deduction (VRD)					
No VRD	<b>Gross Pay</b> \$500.00	<b>Federal Income Tax*</b> \$34.91	<b>Social Security</b> \$38.25	<b>Deduction to Savings Account</b> \$25.00	<b>Take-Home Net Pay</b> \$401.84
With VRD	<b>Gross Pay</b> \$500.00	<b>Federal Income Tax*</b> \$31.16	<b>Social Security</b> \$38.25	<b>“Reduction” to Tax Shelter</b> \$25.00	<b>Take-Home Net Pay</b> \$405.59

\* Amounts shown as deductions for Social Security and federal income tax may differ depending on your federal tax rates and number of personal (W-4) exemptions.

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## Pre-Tax and After-Tax Options



### After-Tax Roth 403(b) Plan

Contributions made to a Roth 403(b) account are taken from your paycheck on an *after-tax* basis. Your taxable income is not reduced by contributions you make to your account. Any earnings on your contributions are not taxed as long as they remain in your account for five years from the date your first Roth contribution was made and you have a qualifying distributable event. All qualified distributions from Roth 403(b) accounts are tax-free.

### Maximum Allowable Contributions

You can participate in one, two, or all three of the plans. However, federal regulations limit the amount you can defer during a calendar year. These limits are determined by Maximum Allowable Contribution (MAC) calculations. The MAC is calculated on a calendar year basis from January 1 through December 31. The limit for 2017 is \$18,000. The 2018 limits were not available at the time this guide was printed. (If you turn age 50 or older during the year, you can contribute an additional \$5,500.) **You are responsible for making sure that the amount deferred each year does not exceed IRS limits.** MAC calculation estimates and retirement benefit handbooks are available online during the first quarter of each calendar year to help you determine the amount of your annual retirement account contribution.

#### 403(b) and 457(b) Distribution Transactions

Distribution transactions may include any of the following: loans, rollovers, exchanges, hardships, or other normal distributions. You may request these distributions by completing the necessary forms obtained from your provider and TSA Consulting Group, Inc. (TSACG) as required. All completed provider forms, accompanied by the Transaction Routing Request form, should be submitted to TSACG for processing. TSACG's Transaction Routing Request form may be downloaded at <https://www.tsacg.com>.

### Enrolling in the Plans

To participate, you must select an investment plan from the list of authorized investment providers on the next page. Check the list to determine whether the provider you select offers the plan(s) you want.

Carefully compare investment products **before** you select a provider and take the time to understand the investments you are choosing and the implications of your investment decision. If you do not understand the information presented to you by a sales representative or are unsure about a product, do not complete the online payroll deduction authorization.

The authorized list does not reflect any opinion as to financial strength or the quality of the product or service for any company. The products that these companies provide are typically standard-interest annuities, variable annuities, and mutual funds.

Payroll deductions are permitted for those vendors who have made proper application and are on Pinellas County Schools' list of authorized vendors. **Pinellas County Schools does not endorse or recommend any product or vendor** and does **not** offer financial advice.

If you have questions about a vendor,  
you can call:

**Florida Department of  
Financial Services Consumer Helpline**  
(800) 342-2762

To file a complaint about a vendor,  
go online to:

**Florida Office of Financial Regulations**  
[http://www.flofr.com/staticpages/  
fileacomplaint.htm](http://www.flofr.com/staticpages/fileacomplaint.htm)



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## Pre-Tax and After-Tax Options

### Other Information

TSA Consulting Group is the third party administrator for the Pinellas County Schools' Voluntary Retirement Program. If you wish to start a deduction, increase, decrease or suspend your deduction to your Roth, 403(b) or 457 plan, you must utilize the online system. The ART system is used when requesting loans, rollovers, distributions, and contract exchanges from your account. The online process eliminates the need for paper SRAs and allows around-the-clock access for employees.

- To use the ART system you will need to establish your initial ART system login, visit the secure ART login website:  
<http://www.tsacg.com/individual/art-help>.

- To open up an account you must go through a current representative of the district's 403(b) and 457 approved Investment Providers who are trained and able to assist employees with this online process. In addition, TSA Consulting Group has a toll free customer service help line to assist you (888) 796-3786, Option 5, available Monday–Thursday 8:00 a.m.–6:00 p.m. EST and Friday 8:00 a.m.–4:00 p.m. EST.

As of March 1, 2019, Achieva, American Century, Plan Member, Security Benefit, The Legend Group, and Waddell & Reed have been placed in an inactive status. Their existing clients have been grandfathered in.

## 2019–2020 Voluntary Retirement Program

### List of Authorized Investment Providers

COMPANY NAME	PRODUCTS AVAILABLE			AGENT OF RECORD	TELEPHONE
	403(B)	457	ROTH 403(b)		
Aetna	X	X	X	Diane Petitta	813-281-3751
AXA Advisors	X	X	X	Ryan Lau	813-466-3195
Fidelity Funds (No Load)*	X	X		<a href="http://www.fidelity.com/atwork">www.fidelity.com/atwork</a>	800-343-0860
Franklin Templeton	X			John Kelley	727-299-7143
Horace Mann	X	X	X	Gary Cucchi	813-600-3268
Lincoln Investment	X	X	X	Brett Smith	800-771-7732
VOYA	X	X	X	Keista Ransom	813-281-3743
AIG Retirement Services (Valic)	X	X	X	Chris Brown	813-269-3362

\* Call Fidelity or go online to request a 403(b) or 457(b) enrollment kit and fund prospectus. Contact Risk Management at 727-588-6141 to request a salary reduction agreement to authorize payroll reductions.

# Voluntary Retirement Programs

## Pre-Tax and After-Tax Options



### Resources

For more information about the PCS Voluntary Retirement Program:

#### Call

- Your investment provider representative, or
- The PCS Retirement Team: 727-588-6141

#### Visit

- [https://www.tsacg.com/employee\\_site/districts/florida/pinellas.htm](https://www.tsacg.com/employee_site/districts/florida/pinellas.htm)

### The following websites offer relevant information

- **Social Security Administration** [www.ssa.gov](http://www.ssa.gov)  
Find answers to your questions concerning Social Security.
- **Administration on Aging** [www.usa.gov](http://www.usa.gov)  
Information on retirement, Medicare, and other issues for retirees.
- **Internal Revenue Service** [www.irs.gov](http://www.irs.gov)  
Source for tax information, including changes to the tax code.
- **U.S. Department of Labor** [www.dol.gov](http://www.dol.gov)  
Information for the workforce.
- **Morningstar** [www.morningstar.com](http://www.morningstar.com)  
Information on stocks, funds, and factors affecting the stock market.
- **A.M. Best Company** [www.ambest.com](http://www.ambest.com)  
Information on company ratings, products, and news.
- **Standard and Poor's Company** [www.standardandpoors.com](http://www.standardandpoors.com)  
Information on company ratings, fund information, indices, and more.
- **American Savings Education Council** [www.choosetosave.org/asec](http://www.choosetosave.org/asec)  
Information about saving for retirement.
- **Employee Benefit Research Institute** [www.ebri.org](http://www.ebri.org)  
Information on employee benefit programs.
- **Employee Benefits Security Administration** [www.dol.gov/ebsa/](http://www.dol.gov/ebsa/)  
Information on pensions, COBRA, plan sponsors, compliance, fraud, and more.